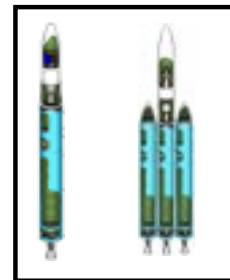


Acquisition Reform Success Story

Evolved Expendable Launch Vehicle (EELV)



Lockheed Martin



Boeing

Program Manager: Col. Richard McKinney
PEO: Mr. Brent Collins, AFPEO/SP
Contractors: Lockheed Martin Aerospace (LMA)
The Boeing Company (TBC)
Contractor PM: Mr. Nate Lindsay (LM)
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Success Story OPR: Mrs. Beverly Tabor,
AFPEO/SP, DSN 833-2091

Program Description

The objective of the Evolved Expendable Launch Vehicle (EELV) program is to develop and field the next generation of medium and heavy lift space launch vehicles. EELV will replace the existing launch vehicle fleet (Delta, Atlas, and Titan) with a more affordable family of launch vehicles evolved from current systems.

How Acquisition Reform Made a Difference

The EELV program remains at the cutting edge of acquisition reform. The program has demonstrated that through insight and reliance on contractor data and metrics, system development can be successfully accomplished with a "lean" team. The program has also successfully exploited electronic commerce to streamline the acquisition process, obtain contract data electronically, and reduce resource consumption. EELV led the way in establishing an electronic source selection capability that now serves as a model for the Air Force.

The culmination of these acquisition reform initiatives took place on 16 October 1998 when two EELV Development Other Transaction Agreements (OTA) were signed with The Boeing Company and Lockheed Martin Aerospace. This is a true partnership with industry with each contractor receiving \$500 million in developmental funding from the government and each investing over \$1 billion in corporate funds in the program. Concurrently with award of OTAs, two Initial Launch Services (ILS) contracts were signed for the first 28 EELV launches in FY02-06. The Boeing Company ILS contract included 19 missions valued at \$1.38 billion, the Lockheed Martin Aerospace contract included 9 missions valued at \$649 million. With these initial contracts we will exceed our goal of 25% savings in the cost of the program over our current launch systems, with greater than 30% actual savings expected over the life of the program. This drive for acquisition reform will continue in the future and is expected to save \$5 billion to \$10 billion in the program life cycle costs through the year 2020.

Bottom Line: The new EELV acquisition approach allows the program to sustain competition for launch services through the life of the program, while at the same time reducing the level of initial investment required by the government. With the awarding of the EELV contracts, the program is now a reality with two new families of launch vehicles evolving from proven heritage systems, promising increased access to space, enhanced US industrial base, and poised for capture of an increased domestic and international commercial market share, all at a greatly reduced price. Better, Faster, Cheaper in action.